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FOURTH REVIEW CONFERENCE OF THE PARTIES TO THE TREATY ON THE NON-PROLIFERATION OF NUCLEAR WEAPONS

MAIN COMMITTEE III

PROVISIONAL SUMMARY RECORD OF THE 2nd MEETING

Held at the Palais des Nations, Geneva,
on Tuesday, 28 August 1990, at 3 p.m.

President: Mr. YAMADA (Japan)

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Review of the operation of the Treaty as provided for in its article VIII (3) (continued):

Implementation of the provisions of the Treaty relating to peaceful applications of nuclear energy:

(1) Articles IV and III (3), preambular paragraphs 6 and 7, especially in their relationship to article III (1, 2, 4) and preambular paragraphs 4 and 5 as well as to articles I and II

(2) Article V

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The meeting was called to order at 3.20 p.m.

REVIEW OF THE OPERATION OF THE TREATY AS PROVIDED FOR IN ITS ARTICLE VIII (3) (agenda item 13) (continued)

Mr. ALER (Sweden) observed that his delegation, with others, had submitted proposals for the form of language on articles IV and V to be used in the final document. It had also studied with interest the proposals contained in document NPT/CONF.IV/L.2 and Corr.1, prepared by the Group of Non-Aligned States.

Following the tragedy of Chernobyl, there had been a great effort to intensify international co-operation on nuclear safety and radiological protection, primarily under the auspices of the IAEA. The IAEA General Conference would shortly be discussing a very comprehensive report by the Board of Governors and the Director General, outlining a programme of action for the 1990s on the whole subject of the safety of nuclear installations, radiological protection and waste management. A special high-level conference would be held in 1991 to cover the entire field of safety, on which occasion his delegation hoped that it would be possible to reach agreement on a set of fundamental safety principles, possibly of a mandatory nature, for the guidance of national authorities. Sweden did not believe that the IAEA should assume the role of an international safety inspector, as had been suggested in the general debate, for the ultimate responsibility must lie with national safety authorities and with Governments. The IAEA could, however, increase its assistance through the mechanism to send international expert missions to countries that so required, and technically developed countries should be urged to make experts available for such tasks. Nuclear safety remained an international concern and, in that context, he hoped that the proposals to be made by Hungary, the Netherlands and Sweden, on the prohibition of attacks on nuclear installations, for the draft final document, would meet with general approval.

In the period under review, the IAEA had strengthened its role as the main instrument for international co-operation in peaceful nuclear applications. While the IAEA report (NPT/CONF.IV/13) gave a detailed account of activities and resources during the period, it did not give the whole picture and followed the practice of earlier Review Conferences of listing, inter alia, contributions to the Technical Assistance and Co-operation Fund and extra-budgetary contributions for technical assistance. However, considerable extra-budgetary resources were also given in support of co-operative research programmes and other activities. In addition to the

amounts listed in the Agency report, Sweden, for example, had contributed some $3 million over the previous five years, primarily for agriculture and environmental protection. He therefore proposed that the Agency be asked to review its practice when reporting to the next Review Conference, so as to provide a more comprehensive picture.

Mr. JACOBY (Canada) said that, although Canada was a medium-sized industrial power, it had developed an important nuclear industry based on a unique reactor type known as CANDU and on extensive expertise related to peaceful nuclear disciplines. With 19 reactors in operation, nuclear power accounted for some 18 per cent of Canada's electricity production. In March 1990, the Government had announced a number of measures to strengthen the nuclear industry because it believed that it was important for economic, environmental and energy-related reasons. At the same time, Canada remained the world's largest exporter of uranium, exporting nearly 10,000 tons a year since 1985 to a wide variety of countries. As an important nuclear supplier for peaceful purposes, Canada believed that the NPT was an absolutely essential framework to ensure that international nuclear commerce would not contribute to proliferation. Without the NPT-based system, there would be much less peaceful nuclear exchange than was the case at present.

Article IV of the Non-Proliferation Treaty created special responsibilities for countries such as Canada to facilitate exchanges of nuclear technology within an appropriate non-proliferation framework. There had been a number of developments in peaceful nuclear energy since the previous Review Conference and his delegation wished to consider them in connection with the implementation of article IV. Document NPT/CONF.IV/MC.III/WP.1 covered a number of successes and further challenges pertaining to the implementation of article IV and, taken in connection with document NPT/CONF.IV/L.2 and Corr.1, should provide an excellent basis for the Committee to formulate language for the final document. A balanced assessment of article IV must consider the responsibility of States parties to the NPT to facilitate peaceful nuclear co-operation, together with factors - political, economic and technical - which might constrain such co-operation and, above all, the overriding need to ensure a secure non-proliferation framework.

The NPT framework facilitated the development of bilateral nuclear co-operation between States Parties in mutually agreeable circumstances, but it did not obligate every NPT supplier State to enter into bilateral nuclear co-operation with every other NPT State Party. Bilateral nuclear co-operation

remained a sovereign decision and might not reasonably be possible in certain situations. Second, the bilateral co-operation agreements required by Canada and other supplier States and the adherence by supplier States to arrangements such as the London Supplier Guidelines responded to legitimate non-proliferation concerns. While they were based on the Non-Proliferation Treaty, such bilateral and multilateral arrangements could legitimately contain additional requirements covering, for example, a situation where the IAEA could not apply safeguards. Export controls, bilateral requirements and multilateral arrangements by nuclear supplier States responded to the demands of their public to ensure that their nuclear items were not diverted for explosive devices. They represented a complement to the NPT and made nuclear co-operation easier. Third, as recent studies by the CAS had demonstrated, the international nuclear power market since 1985 had generally been characterized by an absence of demand rather than problems relating to security of supply. The safety, technical and financial demands of nuclear power accounted largely for such a situation, particularly in developing countries. Because of that, as well as the emergence of new suppliers, his delegation did not attach particularly high priority to a rapid conclusion to CAS work on principles of security of supply unless equal commitments to non-proliferation could be assured within that context. Similarly, it believed that commercial nuclear contracts could be and had been generally respected.

Fourth, notwithstanding the current depressed demand situation for nuclear power in most parts of the world, his delegation believed that the advantages of nuclear power as a cost-effective and environmentally advantageous source of electricity would ultimately result in an increase in demand in both developed and developing countries, particularly if nuclear safety and waste management concerns could be resolved. Canada believed that the IAEA had fully considered the potential contribution of nuclear power to sustainable development and that the Review Conference should recognize those recent developments in the role of nuclear power. Fifth, the importance of nuclear safety should be recognized, particularly since the tragic Chernobyl accident, as should increased international co-operation in the areas related to nuclear safety. In that respect, the IAEA had done exemplary work in developing conventions on early warnings and assistance in the event of a nuclear accident with transboundary consequences, in establishing guidelines for the siting, design and construction of nuclear facilities, and in international transactions in nuclear waste, radiological protection and waste

management programmes and assessment of nuclear plants. Canadian resources and officials had participated extensively in such IAEA programmes, thus representing fulfilment of the article IV ideal. Moreover, the IAEA's technical co-operation programme was the pre-eminent multilateral framework for the realization of article IV. The fact that the vast majority of its funds came from and were allocated to NPT States Parties represented a major contribution to the observance of article IV. Besides its IAEA budget contribution, Canada contributed about $US 1 million a year to the rapidly growing voluntary fund, which was supplemented by multi-donor projects and successful regional arrangements in Latin America and Africa.

While the Conference should strongly support such progress in making nuclear energy and peaceful nuclear application available to developing countries through the Technical Assistance and Co-operation Fund, it should be cautious in calling for massive increases in the Fund, much less creating new funds at a time of financial restraint in international organizations. As a supplier State, Canada was aware of the technical and financial constraints facing developing countries in trying to develop nuclear power programmes. There was no easy way to overcome such difficulties, but the IAEA had made good progress in studying the problem and making recommendations. None the less, more remained to be done by international financial organizations and the nuclear industry itself. Canada stood ready to participate in discussions on how to overcome the financial constraints in promoting nuclear power in developing countries.

The 1985 Review Conference had also requested that States Parties should recount in written form their experiences in bilateral co-operation measures to further the implementation of article IV. Canada had prepared a paper pointing out that, because it made NPT adherence and NPT-type safeguards a prerequisite for full nuclear co-operation with non-nuclear-weapon States, it clearly gave preference to NPT parties. It had full nuclear co-operation with 28 States, many of which were developing countries, and CANDU reactors were in operation in the Republic of Korea, under construction in Romania and under consideration in a variety of NPT countries, including Indonesia, Turkey, Egypt and Hungary. Canada was prepared to provide limited assistance for the safe and efficient operation of Canadian-supplied CANDU reactors in Argentina, India and Pakistan but, true to its commitment to the NPT, would not consider the resumption of full nuclear co-operation with those countries until they accepted the NPT and full-scope safeguards. Canadian uranium exports to the United States of America, Japan, the Republic of Korea and

Europe required the same non-proliferation framework as did exports of reactors and other trigger-list items: NPT adherence and a full bilateral nuclear co-operation relationship. Full Canadian nuclear co-operation was characterized by extensive technology transfer, a particularly good example being Canada's relationship with the Republic of Korea. The Canadian Atomic Energy Control Board also offered advice and training to nuclear regulatory bodies, and Canadian universities and research institutes had received foreign nuclear experts studying nuclear technology. His country was also a major supplier of nuclear equipment and material for health, cancer therapy, agriculture, food irradiation and industry. It supplied about 65 per cent of all bulk isotopes made available in the world and lent some financial assistance for nuclear exports, particularly to developing countries.

Mr. STOIBER (United States of America), commenting on his delegation's overall assessment of the role of the NPT in facilitating peaceful nuclear co-operation, said that, in his message to the Conference, President Bush had noted that the Treaty's "contributions to the development of nuclear power have helped to improve the quality of life around the globe" and that the Treaty "remains a hallmark in our long quest for peace and for peaceful nuclear co-operation among nations". In that connection he also referred to the statement of the head of his delegation in the general debate.

He believed that the report of Committee III should begin with a strong endorsement of the Treaty as the best foundation for continued nuclear co-operation among nations and a positive assessment of the record under the NPT over the past five years. The issue was not one of whether co-operative nuclear activities had reached the levels desired by all; in a world of competing demands for resources and at a time when all nations were experiencing economic difficulties, that was not a reasonable standard for judgement. Rather, it should be asked what the picture of nuclear co-operation would look like without the framework provided by the Treaty. In his opinion, it would be far different and less positive; without the clear and binding assurances against misuse contained in the Treaty, there would be a great reluctance to transfer materials, equipment and technology which could help a country move in the direction of nuclear weapons.

As to activities by the United States, he drew attention to document NPT/CONF.IV/20 and to the section entitled "Fostering the peaceful uses of nuclear energy". For those nations which might hear arguments that the flow of nuclear co-operation had somehow diminished over the past five years, he would refer them to pages 8 to 16 of that document.

One matter sometimes neglected in discussion of international nuclear co-operation under article IV was the important role played by private industry in the transfer of technology in such an important area, a point mentioned in paragraph 6 of document NPT/CONF.IV/4. While it was at times easy to forget that article IV spoke not of "assistance" but of the commitment of parties to "exchange" and to "co-operate", his Government believed that the report of the Conference should find a place where the important role of private industry could be recognized. In that respect, he commended the statement on the Treaty circulated by the Uranium Institute as a valuable contribution to the work of the Conference.

The work of the Conference should also include a balanced and objective look at the most important events having affected international nuclear co-operation under the Treaty, the most significant of which had been the tragic reactor accident at Chernobyl, an incident fundamentally affecting both government and public attitudes towards nuclear energy. Its lessons should be reflected in the Conference's final document. Prior to April 1986, the nuclear power debate had been diffuse, focusing sometimes on waste management issues, sometimes on proliferation risks and sometimes on costs. Since then, it had become focused on and dominated by the consideration of nuclear safety. None the less, terrible as the consequences had been in human terms and much as they had had an adverse effect on the plans of many nations for exploiting nuclear energy for development, the event had had some positive consequences in nuclear co-operation, including the negotiation in a remarkably short time of two important multilateral conventions - on assistance in nuclear or radiological emergencies and an early notification of nuclear accidents. Also, at the Special Session of the IAEA General Conference in September 1986, important consensus conclusions had been reached concerning the uses of nuclear energy. The final document of that Special Session addressed such fundamental issues as the role of nuclear energy, the responsibility of States in using it, international co-operation and, the role of the IAEA. The report of the Review Conference should take positive note of the response to Chernobyl, including the assessment of the causes of the accident conducted under the auspices of the IAEA and the continuing co-operative efforts, both inside and outside the IAEA, to address the fundamental problem of nuclear safety. Some mention should also be made of the efforts under way to develop smaller and more passively safe reactors which would help meet the needs of developing nations without problems caused by earlier generations of technology.

Another event which should find a place in the Committee's report was the 1987 United Nations Conference for the Promotion of International Co-operation in the Peaceful Uses of Nuclear Energy (UNCPICPUNE). The Conference had been over 10 years in the making and had been held only one year after the Chernobyl accident; there could be no doubt that it represented an important bench-mark in multilateral nuclear co-operation outside the usual framework of the IAEA. However, care should be taken to provide an accurate and balanced assessment of UNCPICPUNE, rather than focus on only one of its dimensions. It had been a remarkably successful example of the kind of nuclear technology exchange envisaged by article IV of the NPT. In its Committee II, over 103 technical papers had been presented, under seven categories, on the broadest range of nuclear subjects. An accurate assessment of that Conference was reflected in paragraph 29 of document NPT/CONF.IV/4. In line with that assessment, his delegation would hope to see those practical and positive results recorded in any statement the Committee would wish to make on UNCPICPUNE.

Another aspect of the UNCPICPUNE had been the effort in Committee I to reach agreement on a number of universally acceptable principles for international co-operation in the peaceful uses of nuclear energy and on ways and means for promoting such co-operation in accordance with mutually acceptable considerations regarding non-proliferation. That subject was also related to the work of the IAEA Committee on Assurances of Supply (CAS). His Government had actively participated for many years in the effort to define a range of universal principles and, while it was disappointed that the effort had not met with success, its assessment of the reasons and the relevant conclusions with regard to future efforts differed from the perspectives of some other delegations.

First, he strongly believed that the NPT and the work of past Review Conferences represented a rather coherent and satisfactory set of principles of nuclear co-operation which could be universally approved as a basis for exchanges between nations in that field. Second, the primary reason for the frustrated efforts in other forums to define universally acceptable principles rested primarily on the fact that a small number of Governments did not agree that the NPT and its central concept of full-scope safeguards represented an acceptable condition for the conduct of international nuclear co-operation. His Government did not therefore see an overwhelming need to look beyond the framework established by the NPT and its related instruments and practices to try and establish a new set of so-called "universal principles". The

United States Government had repeatedly affirmed its support for the CAS process and considered that recent CAS efforts had made a positive contribution to an understanding of nuclear supply issues during the present period. However, it had doubts about the wisdom of resuming consideration of universal principles within the context of CAS until two clear factors were present: firstly, a genuine need for such principles to provide for meaningful international co-operation and, secondly, some reasonable prospect that there could be consensus agreement on such principles to be presented to the IAEA Board of Governers. His Government would be particularly reluctant to embark on a divisive and controversial debate which would polarize the nuclear community at a time when a unified and positive approach was badly needed for the nuclear option to continue. Consequently, on the issue of principles of supply, his delegation would wish to see a final document that recorded past efforts to achieve agreement and did not attempt to cast blame for the results of the process to date. It would further wish to leave the question of pursuing universal principles in CAS to the chairman of that Committee in consultation with its members.

The Review Conference should be placed on record as favouring the adoption of full-scope safeguards as a requirement for nuclear supply by all parties to the Treaty, as well as other suppliers. His delegation saw the relation between articles III and IV in that context as very important in providing a sound basis for international nuclear commerce. Those who had drafted the Treaty had wisely understood that a nation's acceptance of safeguards covering its entire nuclear programme established a clear presumption that it was devoted only to acceptable, peaceful purposes. Those nations which had accepted such safeguards should be reinforced in that commitment by the knowledge that such a step conferred concrete and specific benefits in "the terms of nuclear trade". As a matter of both law and policy, the United States had long implemented the requirement for full-scope safeguards as a condition of significant nuclear commerce and took very positive note of the recent decisions by Japan and Germany to pursue a similar policy. It therefore strongly supported the inclusion of such a recommendation in the report of the Committee and in the final document of the Conference.

As to the effort to promote nuclear development, with emphasis on the financing of nuclear power or research reactor projects, he believed that it would be appropriate for the Conference to commend the valuable contribution made by the IAEA expert Working Group, comprising representatives of nuclear

energy agencies in a number of developing countries, of export credit agencies in several developed nations and of the World Bank, UNIDO and the IAEA, and which had published in 1987 a document on the promotion and financing of nuclear power programmes in developing countries. The report was balanced and its recommendations deserved to be given the closest attention by individual nations, international lending agencies, commercial credit institutions and the IAEA. Its balance stemmed from the fact that it recognized the multifaceted nature of the task of promoting nuclear reactor development and did not place undue emphasis on any of the many problems in the field or hold out false hopes that a single solution could unlock the door to major resources for nuclear development. It identified such key elements as public acceptance, project preparation, adequate planning, industrial and technical infrastructure and a regulatory framework in addition to financing, as being important. Future efforts, particularly those in the IAEA, should continue to emphasise all elements in the task of mounting a successful nuclear programme.

The financing of nuclear power projects involving foreign-supplied technology was normally provided through export credit agencies supported by Governments of supplier States. In the United States, it was provided by the Export-Import Bank. While the size of export credit agency loans, their terms and conditions varied considerably with the nature of the equipment and services being provided, such an export credit approach was not totally unregulated. Since August 1984, the credit agencies of most nuclear suppliers had based their lending decisions on the so-called OECD consensus or Sector Understanding on Nuclear Power Plants. His country believed that that consensus introduced desirable consistency into an extremely complex credit process. At the same time, his Government would not favour proposals to extend significant subsidies to nuclear projects through concessional credits. Such a course would distort economic decision-making on electric power generating projects and conceivably increase already high debt burdens for nations experiencing economic difficulties. Multilateral credit institutions, including the World Bank, should evaluate nuclear power as one option when assessing a borrowing country's electric power programme. He supported the present approach of multilateral banks of selecting the type of power plant for a loan on the basis of least cost, with appropriate consideration of environmental and other factors, and believed that adequate financing could be made available for nuclear power projects through existing institutions and lending arrangements in those cases where the elements identified in the 1987 IAEA expert study had been clearly established.

As far as the structure and content of the Committee's report were concerned, the rather brief period of time available for review meant that it was difficult to produce an extensive final document touching on all the issues many delegations might have wished to cover. Other multilateral nuclear meetings had wisely decided that the primary institution for international nuclear co-operation - the IAEA - was the right place to keep the central focus of efforts in that area. He therefore envisaged a rather short report, similar to the 1985 report in length, touching on the most important issues arising from article IV. The 1985 Final Document also provided a useful model with regard to structure, although if a more logical ordering of topical sections could be worked out, he would have no difficulty in supporting a different arrangement. Lastly, his delegation would be submitting texts of several short paragraphs on issues raised in his statement, as a contribution to drafting the Committee's report.

Mr. NEFEDOV (Union of Soviet Socialist Republics) said that the current abundance of materials, equipment and services was conducive to enhancing widespread use of nuclear energy. International co-operation was progressing and in recent years, the Agency's technical assistance budget had grown. In the view of his delegation, it was essential for States Parties that could make materials, equipment and services available to increase their voluntary contributions to the IAEA Technical Assistance and Co-operation Fund and to technical assistance projects in the developing States Parties.

The Soviet Union remained faithful to the principles of providing international co-operation on an equal footing and of granting assistance to developing countries and regions in accordance with article IV of the Treaty. Since the Third Review Conference, the USSR had greatly increased such co-operation, focusing primarily on questions related to the safe development, increased efficiency and reliability of nuclear energy, as well as environmental protection and a reduction in the use of fossil fuels. It was providing assistance to a number of Eastern European countries to allow them to manufacture equipment for a variety of reactor types and, more recently, to build their own nuclear reactors. Hungary, Poland and the Czech and Slovak Federal Republic were also co-operating in the Soviet Union on the construction of the Khmelnitskiy nuclear power facility, which would then deliver electricity to those countries over the next 20 years in proportion to their contribution to the construction project.

Following the Chernobyl accident, increasing emphasis had been placed in the USSR and throughout the world on improving reactor safety. That was the goal of the World Association of Nuclear Operators (WANO), of which the Soviet Union was one of the founders, the constituent conference having been held in May 1989 in Moscow. WANO was currently examining questions relating to the modernization of the first generation of reactors in the Soviet Union and Eastern Europe.

The Soviet Union had proposed that a scientific research project be undertaken on alleviating the biological impact of the radiological emergency brought about by the Chernobyl accident. Some 26 States had expressed their interest, and his Government was completing the preparations in association with the IAEA.

His delegation stressed the importance of the Agency's technical co-operation activities. The Soviet Union had regularly increased its voluntary contributions to the Technical Assistance and Co-operation Fund, usually exceeding the recommended amounts, 3.5 million roubles having been allocated in 1989, compared with 2.6 million roubles in 1985. It also made funds available to the Agency for technical assistance in developing States Parties to the Treaty. For the period 1991-1994, 2 million roubles would be earmarked for that purpose. His country was currently implementing 19 major contracts with the IAEA to supply equipment and materials valued at more than 6 million roubles. Preparations were under way to sign another 20 major contracts with the Agency for a total of 10 million roubles. Bangladesh, Mexico, Egypt, Portugal, Mongolia, Yugoslavia, Bulgaria, Poland and other countries had received or were receiving supplies. The Soviet Union was also conducting various study courses and on-site training programmes through the IAEA.

His Government continued to favour granting non-weapon-States Parties preferential treatment for the supply of equipment, materials and information in the nuclear field and in accordance with its obligations under the Treaty, the Soviet Union provided supplies to such non-nuclear-weapon States on the condition that they agreed to apply Agency safeguards. The USSR had never refused to grant technical or commercial assistance or to supply nuclear materials or equipment to States Parties for political reasons. Obviously, it would continue to promote the peaceful uses of nuclear energy throughout the world and to meet its contractual and legal obligations in that regard. Lastly, his delegation hoped that some of its proposals would be reflected in the Committee's final document.

Mr. VERBEEK (Netherlands), commenting on the draft resolution submitted by Indonesia on behalf of the Group of Non-Aligned States (NPT/CONF.IV/L.2 and Corr.1) said that the information made available on bilateral nuclear co-operation by a number of participants in the Review Conference showed how unjustified it was to express, in the second preambular paragraph of that doucment, "dissatisfaction" with the implementation of article IV and related provisions of the Treaty. There was ample proof that, over the past five years, international co-operation had continued to increase, particularly in the areas of non-energy-related nuclear applications and of nuclear safety and radiological protection. The record had also revealed an increase in international co-operation in nuclear power production. The reason for the small number of new nuclear power projects in developing countries lay in the reassessment of national nuclear policies after the Chernobyl accident, the availability and economic attractiveness of other energy sources and the scarcity of resources in many developing countries for financing nuclear power projects, rather than any unwillingness on the part of supplier States.

The analysis of the relationship between supplier and recipient States, as contained in document NPT/CONF.IV/L.2 and Corr.1, struck his delegation as somewhat outdated, in particular the motives ascribed to supplier States, such as the reference in operative paragraph 7 to non-proliferation "as a pretext" and in the sixth preambular paragraph to "discriminatory policies against the non-nuclear-weapon developing States party to the Treaty", as well as the claim in the ninth preambular paragraph that certain measures were "in contradiction with the spirit of the Treaty". Those and similar obsolete phrases had been coined some 20 years previously, and it was surprising to see them re-emerge.

Supplier-recipient relations had been discussed at great length in the IAEA Committee on Assurances of Supply (CAS) and during the UNCPICPUNE and its preparatory process. Although no final agreement had been reached on a list of peaceful nuclear co-operation principles, it should be acknowledged that the CAS had come very close to agreeing on one. The time might, indeed, have come, as suggested in operative paragraph 13, to resume formal discussions in the CAS. The setting up of a consultative mechanism among States Parties to examine supply problems, as suggested in operative paragraph 6, would then be superfluous.

His delegation questioned the reasoning in operative paragraph 8 (a), (b) and (c). For example, subparagraph (a) appeared to reject all preconditions for access to nuclear material and equipment, yet subparagraph (b) deemed it useful for the IAEA Board of Governors to reach agreement on conditions for non-proliferation requirements. Again, subparagraph (c) made the sympathetic suggestion that preferential treatment should be given to the developing countries. The notion of a free transfer of nuclear technology was somewhat theoretical. In reality, nuclear co-operation could take place only on the basis of an agreement between recipient and supplier on non-proliferation objectives and a clear understanding and full implementation of the measures arrived at. Over the past decade, a wide range of such agreements had been developed in the CAS among suppliers and recipients, in particular among States Parties to the NPT. Those measures went beyond the application of IAEA safeguards; they also pertained to physical protection measures, specific measures concerning retransfers and the management of nuclear materials after use or in cases of further fuel-cycle steps. In practice, suppliers and recipients usually had little difficulty reaching agreement on such measures. When they could not, it might be that one of the parties involved had not committed itself unequivocally to non-proliferation, for example by becoming a Party to the Treaty, or that the bilateral relationship between the parties involved did not favour bilateral co-operation in general, let alone in nuclear matters. How could States that had serious bilateral difficulties be forced to co-operate on nuclear energy as though they maintained friendly relations.

In the view of his Government, the implementation of article IV had been successful on the whole. Co-operation within the IAEA had been quite satisfactory and advantageous for the parties concerned, and it was to be hoped that that trend could be continued in the coming five years, especially if, in the light of recent political developments and environmental considerations, Governments decided to reduce the use of fossil fuels.

Mr. PARK (Republic of Korea) said that his country had made every effort to develop nuclear energy while faithfully adhering to the letter and the spirit of the NPT régime.

More than half of the Republic of Korea's total electricity, one of the highest proportions in the world, was provided by nuclear power from 9 units with an installed capacity of 7,000 MW. By the turn of the century, 14 nuclear power plants would become operational.

The Republic of Korea intended to step up co-operation with supplier countries to enhance domestic capability and enhance nuclear safety. His Government was grateful for the assistance provided by supplier States and the IAEA in launching nuclear development projects. The time had come for the Republic of Korea to share its experiences and know-how with other developing countries through international arrangements, namely the IAEA framework, and in keeping with its technological and financial capability. To that end, it had organized and financed regional training courses on nuclear power project planning and implementation under the auspices of the IAEA since 1988. The third training course, with participants from a dozen developing countries, was scheduled for October 1990.

Strengthening the NPT régime was an essential pre-condition for promoting the peaceful uses of nuclear energy, and the régime should not jeopardize the inalienable right of any State Party to develop research, production and use of nuclear energy for peaceful purposes without discrimination, as stipulated in article IV of the Treaty. The fullest possible exchange of equipment, materials and technological information must be made available to the Parties concerned, provided that transactions were made with full-scope safeguards. Preferential treatment should, of course, be given to non-nuclear-weapon States Parties. It was to be hoped that the United Nations Conference for the Promotion of International Co-operation in the Peaceful Uses of Nuclear Energy would be resumed, and more effective nuclear technology transfer mechanisms among developing countries must be explored within the NPT régime, by developed and developing countries alike.

Mr. TALIANI (Italy) stressed the great importance that Italy attached to full implementation of article IV of the NPT, the best proof being his Government's considerable efforts to further a number of peaceful applications of nuclear energy in developing countries through bilateral agreements as well as through the IAEA, in particular by financing the International Centre for Theoretical Physics.

Further development of peaceful applications of nuclear energy could only be visualized if very strict safety criteria were implemented. At present, the safety régime basically relied on national regulations which were already supplemented by many actions at the international level. A strengthening of the international safety régime would further increase the degree of safety reached in the various States and would also make for more public confidence in the nuclear sector.

The implementation of Nuclear Safety Standards essentially involved the authorities at national level. Since the volume of activities was substantial, it would be impossible to transfer them completely to an international organization. Application procedures must therefore continue mainly at the national level. It was none the less possible to envisage procedures for permanent verification at an international level, aimed at assessing the adequacy of the activities carried out in the individual countries. An international control unit could assess the quality of the safety régimes implemented in the individual countries.

For that purpose, it would be necessary in the first place to review the control procedures existing in the various countries, a review that had already been started by the IAEA. Any possible gaps would then be bridged and existing procedures would be harmonized and rationalized. Mechanisms would be operated for continuous verification of the quality of the national safety régimes, relying on the implementation of adequate Quality Guarantees programmes possibly tailored to each individual country or group of countries. Lastly, verification and controls would be carried out by the IAEA in accordance with the criteria of such missions as OSART, ASSET and RAPAT. The missions, however, should be made not only on request by the countries concerned, as was the case now, but also on a systematic basis by a decision of the IAEA. Integrated safety missions should also be envisaged to cover all safety aspects of nuclear installations.

Such a system of tests and verification should be the subject of an international agreement, negotiated under the auspices of the IAEA, along with regional agreements. In the case of the European Economic Community, that task could be entrusted to Euratom, which would act upon delegation by the IAEA in the framework of a specific agreement similar to the verification agreement negotiated on NPT safeguards.

His delegation was submitting a working paper (NPT/CONF.IV/MC.III/WP.2) on the subject, suggesting specific language for inclusion in the final document. The paper submitted by Australia and nine other countries (NPT/CONF.IV/MC.III/WP.1) contained much valuable material, but it did not go far enough on the issue of nuclear safety and he therefore urged the sponsors to strengthen their paper on that point.

Not all of IAEA's technical assistance was given through the Technical Assistance Department and reflected in the technical assistance report. In IAEA's Board of Governors, he, as a Governor, had repeatedly urged the secretariat to include in the annual report a compendium encompassing all

types of technical assistance given by and through the IAEA, including assistance by other departments, such as the Centre for Theoretical Physics. Some $1 million a year of technical assistance was provided through the IAEA regular budget and $500,000 annually by UNESCO. His country also made a voluntary contribution.

Mr. FLYNN (Ireland) said that he would confine his remarks to signalling the issues which his country hoped to see reflected in the Committee's report.

Ireland had associated itself with a text (NPT/CONF.IV/MC.III/WP.1), circulated by a group of like-minded countries, that reflected their view on the issues raised by a review of article IV. His delegation strongly commended the text as a basis for the Main Committee's final report to the Drafting Committee. His country gave strong and unqualified support to the NPT, which it regarded first and foremost as a treaty aimed at the non-proliferation of nuclear weapons. It was in that framework that his delegation viewed international co-operation in the peaceful uses of nuclear energy. The discussions on the implementation of article IV of the NPT had to take the binding commitment to non-proliferation into account.

The Government of Ireland recognized the need to establish an equitable and stable framework for nuclear trade and co-operation. He believed that article IV had never been intended to prescribe a code of conduct for nuclear co-operation. The article provided the basis, but not the elements, for formulating a framework which would allow international trade to flourish, while avoiding the risks of nuclear proliferation. The authors of the NPT had intended that that framework should rise above the risk of discrimination between trading partners and avoid frustration of its objectives by commercial rivalry between exporting countries. However, because of the inextricable linkage between nuclear non-proliferation and co-operation, NPT Parties deserved special attention in the regulation of nuclear exchanges for peaceful uses.

The final report should reaffirm the undertakings of the Parties to the NPT in accordance with article IV and the sixth and seventh preambular paragraphs. That reaffirmation should strengthen the contribution to progress in general and to the elimination of technological gaps between developed and developing countries. It believed that the problems of least developed countries merited special care. The Conference should, in addition, express support for the work of the Committee on Assurances of Supply (CAS). The

measures recommended by the CAS would deal with the need for predictable long-term supply and also with the important aspect of non-proliferation.

In the general debate in plenary, his country's Minister for Foreign Affairs had stressed Ireland's view that nuclear power programmes should be generated in accordance with the highest possible safety standards and in full consideration of the risks posed to neighbouring States. The present Conference should express concern about the risks posed by nuclear energy and encourage efforts to deal with them in the IAEA and elsewhere.

His Government was pursuing elsewhere the idea of an international nuclear inspection force to verify safety standards for the benefit of nuclear- and non-nuclear weapon States alike. The establishment of such an inspection force would greatly help to restore credibility to the nuclear industry, where the idea of inspection was not a new one. Safeguards inspectors already fulfilled an inspection function of a kind. Yet it was not enough to call for closures of badly designed installations and for new safety standards: a new worldwide openness was necessary in dealing with safety issues. The Conference could not ignore the extraordinary tragedy of Chernobyl. To fulfil the spirit and the letter of article IV of the NPT, it must rise to the challenge posed by the need for safety and radiological protection. His delegation stood ready to co-operate with others in formulating appropriate language to reflect that concern and it welcomed the ideas put forward by the Italian delegation in that regard. His delegation welcomed the Conference on Nuclear Safety, to be held in 1991 by the IAEA. That Conference, which had been proposed by Ireland on behalf of the European Community, would greatly help to strengthen international co-operation in relation to nuclear safety. Concerns about safety called for a culture that was capable of attaching priority to safety rather than to production and profit.

It was gratifying to note the continued growth of the IAEA Technical Assistance and Co-operation Programme, the importance of which ought to be mentioned in the final document. The fact that the IAEA's assistance had been chiefly required in the non-power uses of nuclear energy was especially welcome.

The question of armed attacks on peaceful nuclear installations had received serious attention at the Third Review Conference. It was still relevant and should be discussed in the final report, which should speak of the need for concrete steps to provide assurances against such attacks. His delegation welcomed the useful working paper and informal text circulated on the subject by a number of delegations.

Mr. SMITH (United Kingdom) said that the Committee's report should reaffirm the continuing validity of the central principles contained in the NPT, review the application of those principles over the past five years and also look at how they should be applied in the years to come. The principles themselves were unchanged but history had not stood still and care should therefore be taken to stick to issues which were relevant to the present time.

His delegation had circulated a paper containing language which could be incorporated into the report. It contained a short passage on article V identical with that in the 1985 report. As to article IV, the text set forth the main areas which his delegation believed should be covered. The first was the importance of stressing that the NPT provided a framework of confidence for world-wide development of the peaceful uses of nuclear energy. Without it, nuclear co-operation between States would be much more difficult.

The second point was the importance of recalling and restating the basic principles contained in article IV and of emphasizing that the rights of all parties set out in the article must be exercised in conformity with earlier articles. The need should be recognized for predictable long-term supply assurances to be matched by effective assurances on non-proliferation.

The third point was the importance of nuclear co-operation in extending the application of nuclear energy for peaceful purposes, with due consideration for the needs of developing countries. Support for continuing programmes of technical assistance should be emphasized and the value of IAEA's Technical Assistance and Co-operation Programme stressed, as well as the mechanism which allowed extra-budgetary funds to be channelled to projects in developing States parties to the NPT. The appreciable level of bilateral co-operation should also be noted.

The fourth point concerned nuclear safety, which clearly called for greater emphasis than it had in 1985. The Conference should place on record its sympathy for all those affected by the Chernobyl disaster and stress all that had been done in the framework of the IAEA to strengthen co-operation in the field of nuclear safety - in particular the Convention on Early Notification of a Nuclear Accident and the Convention on Assistance in the Case of a Nuclear Accident or Radiological Emergency, to which all States should be urged to adhere.

Lastly, on the question of discrimination by nuclear suppliers, the rights and obligations set out in article IV could not be considered in complete isolation. They depended on faithful observance, by all Parties, of the

preceding articles. A non-nuclear-weapon State which wished to enjoy the benefits of co-operation under article IV had first to accede to the NPT; it had then to conclude a safeguards agreement in accordance with article III (4), and thereafter, it had to continue to comply with its obligations and avoid any actions which might give rise to suspicion that it was not doing so.

The supplier States, for their part, were actually called upon by the Treaty to discriminate. The definition of the precise meaning of the obligation under article III (2) was a question to which the supplier States had rightly devoted much attention, some of them insisting on full-scope safeguards, which meant in practice that they discriminated against non-nuclear-weapon States not parties to the Treaty to an extent greater than the Treaty prescribed. Many States Parties wished to see all supplier States adopt full-scope safeguards as a condition of supply, and the United Kingdom was prepared to join a consensus of major suppliers to that effect.

The loudest accusations of discrimination came, of course, from States not parties to the Treaty. It was indeed true that the supplier States discriminated against those States and would continue to do so. On the other hand, it was quite incorrect to suggest that efforts made by the suppliers to fulfil their Treaty obligations constituted discriminatory policy against non-nuclear-weapon States Parties to the Treaty. The United Kingdom fully recognized its obligations under article IV, but also felt bound to have regard at all times to its obligations under articles I and III.

Mr. MGOKWERE (Nigeria), stressing the importance his country attached to the implementation of article IV, expressed appreciation for the IAEA's crucial role in facilitating the fullest possible exchange of equipment, materials and scientific information in the field of the peaceful uses of nuclear energy. The Agency's programme had expanded considerably since 1985, continuous improvements being achieved in both the quality and the effectiveness of its technical co-operation projects. His delegation would wish to see the Conference acknowledge the importance of the work of the IAEA as a principal agent for technology transfer under article IV (2) and commended for the effectiveness of its Technical Assistance and Co-operation Programme. It joined other delegations in calling for a substantial increase in the Agency's financial and human resources, as well as in the extrabudgetary resources for footnote a/ projects, from which Nigeria, for one, had greatly benefited.

As to the statement made by an earlier speaker to the effect that, while preferential treatment in terms of technical assistance was acceptable in the context of the NPT, its application within the IAEA would be difficult from the legal and practical points of view, he would point out that some kind of reward had to be offered to countries which had given up their nuclear weapon option in the interests of global stability and security. He saw no conflict in the application of preferential treatment to non-nuclear-weapon States Parties to the Treaty within the IAEA, particularly in respect of projects funded through extrabudgetary resources. It was his hope that the Conference would reaffirm the decision of the Third Review Conference urging that preferential treatment should be given to non-nuclear-weapon States Parties in access to or transfer of equipment, materials, services and scientific and technological information for the peaceful uses of nuclear energy. Such a reaffirmation would also serve as a political message emphasizing the rights and obligations of States Parties.

The issue of the IAEA's assistance in securing finance from outside sources for nuclear power projects in the developing countries remained unresolved and would have to be addressed before those countries could enjoy the benefits of nuclear power generation. Special attention should also be given to the needs of those developing countries which wished to acquire a research reactor as a first step towards a nuclear power programme. His delegation urged the IAEA to continue its search for ways of financing nuclear power programmes for developing countries and welcomed its efforts in the development of small- and medium-power reactors, as well as its intention to offer developing countries integrated assistance in developing their infrastructures for execution of nuclear power programmes, including the training of personnel.

Priority attention should be given to the development of high levels of nuclear safety. The Conference should acknowledge the importance of safety and radiation protection and the increased efforts of the IAEA to strengthen international co-operation in that field.

On the subject of Regional Co-operative Agreements, he noted the successes achieved in agriculture under the RCA for Asia and the Pacific and in the training of scientists in Latin America under ARCAL. Expressing the hope that the African Regional Co-operative Agreement, which was expected to become operational in 1991, would receive the necessary support from outside Africa, he noted with satisfaction the statement made by the representative of Japan

announcing the attendance of two senior Japanese officials at the inaugural meeting of AFRA. The contribution of all non-African countries intending to attend the meeting would be highly appreciated.

Notwithstanding the Agency's conclusion that "in the view of most suppliers, the present situation was not one of supply assurance but rather of demand assurance" (NPT/CONF.IV/13, annex II (a)), his delegation took the view that the IAEA Committee on Assurances of Supply should continue to monitor the supply situation on a long-term basis.

Nigeria, which had consistently supported the strict application of full-scope safeguards, viewed with concern the relatively easier access which some non-parties seemed to have enjoyed and which had enabled some of them to acquire nuclear-weapon capabilities. It would be ironic if the non-proliferation régime were applied to non-nuclear-weapon States Parties in such a way as to constitute an obstacle to their development of the peaceful uses of nuclear energy. His delegation would wish to see the Conference reaffirm that nothing in the Treaty should be interpreted as affecting the inalienable right of any State Party to the Treaty to engage in peaceful nuclear activities.

Lastly, he fully supported the draft resolution of the Group of Non-Aligned States contained in document NPT/CONF.IV/L.2 and Corr.1.

Mr. SAVERYS (Belgium) said that the draft resolution submitted by a Group of Non-Aligned States (NPT/CONF.IV/L.2) presented a rather pessimistic analysis of international co-operation in the field of peaceful uses of nuclear energy. The reality, as eloquently demonstrated by some earlier speakers, as well as in document NPT/CONF.IV/NC.III/WP.1, submitted by Australia and others, was more positive, and his delegation would wish to see that reality reflected in the final document. Accordingly, he suggested that language in the final document on peaceful uses of nuclear energy should be based on five elements.

First, the importance of article IV, which was and remained one of the cornerstone articles of the Treaty, should be stressed. Second, a few paragraphs should be devoted to international co-operation in the field of nuclear safety and radiation protection, which had considerably increased since 1985. The work done within the IAEA and the Nuclear Energy Agency should be mentioned prominently in that connection. Third, the record of the IAEA technical assistance and co-operation activities over the past five years was a good one and should be stressed. Fourth, mention should be made of bilateral co-operation among States Parties in the field of the peaceful uses of nuclear energy, an aspect which unfortunately was often neglected. His country, for

its part, had, over the years, accepted many trainees from all parts of the world under IAEA fellowships and still continued to do so; regrettably, not all the opportunities offered by Belgium were taken up. Belgium's nuclear industry had a fine record of excellence and continued to be active internationally, especially in the field of safety of nuclear installations. Fifth, some reference should be made to prospects for the future. In his delegation's view, the trend towards increased bilateral and multilateral co-operation should continue under effective safeguards and with due regard for the demands of nuclear safety and radiological protection.

Ms. FATIMAH (Malaysia), having stressed the important role played by the NPT in focusing international efforts on the harnessing of nuclear energy for peaceful uses, said that the observance by States Parties of article IV could not be regarded as satisfactory. Without serious and concerted efforts to correct that situation, universal adherence to the Treaty could not be expected in the near future. Her delegation fully supported the draft resolution submitted by the Group of Non-Aligned States (NPT/CONF.IV/L.2 and Corr.1) expressing the concern of States Parties with regard to the implementation of article IV and suggesting specific steps to be taken in that connection.

The nuclear power option, attractive as it was to developing countries striving for industrialization while at the same time seeking to reduce adverse environmental impact from burning fossil fuels, remained unattainable for many of those countries, owing, inter alia, to the prohibitive cost associated with a nuclear power programme. The Senior Experts Group established by the IAEA in 1986 to study arrangements for the financing of such programmes in developing countries had not yet produced results. In the meantime, a number of obstacles still remained to the developing countries' quest for an environmentally cleaner and more reliable source of energy. More particularly, export credit conditions were still unattractive as far as nuclear power was concerned. Her delegation hoped that the final document of the Conference would accurately reflect that situation. The suspension in 1987 of formal discussions within the IAEA Committee on Assurances of Supply and the failure of the UNCPICPUNE Conference to reach consensus represented further setbacks to the developing countries wishing to develop a nuclear programme. Her delegation was nevertheless hopeful that, with the help of the IAEA, those obstacles would eventually be overcome. Hence it called upon States Parties to show greater sincerity and earnestness in fulfilling their obligations under article IV.

The expansion of applications of nuclear techniques in the field of medicine, agriculture and industry during the period under review was encouraging. However, the zero real growth of the IAEA's regular budget imposed constraints on promoting nuclear technology for peaceful purposes. Her delegation wished to see not only a greater expansion of the IAEA's promotional activities but also wider participation by scientists from developing countries in co-ordinated research programmes and in the IAEA's technical and expert meetings. The zero real growth policy had surely outlived its purpose, and it was time to allow some meaningful growth in the Agency's regular budget.

While the commendable results achieved by the IAEA in the transfer of nuclear technology to developing countries could be attributed to the dedication of the IAEA secretariat, to the commitment of recipient States and to the generosity of donor States, an assured financial resource was essential to ensure a successful and sustainable technical co-operation programme. Although it might on the surface be true that, as other representatives had alleged, there had been some growth in technical co-operation funds, actual payments to the IAEA Technical Assistance and Co-operation Fund, which constituted the main source of technical co-operation funding, had in reality continued to decline. Her delegation was concerned that, unless appropriate steps were taken, the much-needed programmes in developing countries would be seriously hampered.

Technical co-operation through regional mechanisms had proved highly effective. In the Asia and Pacific region, the Regional Co-operative Agreement had been of enormous help to Member States in achieving self-reliance in the applications of nuclear technology for peaceful purposes. Malaysia attached great importance to such regional arrangements and, in that regard, wished to congratulate the African States on the recently concluded African Regional Co-operative Agreement.

In conclusion, she wished to stress that the objectives of the NPT could be achieved only through effective and equitable implementation of all its provisions, including article IV. As a multilateral institution with a central role in the implementation of article IV, the IAEA should continue to receive the full support of all States Parties. Her delegation hoped to see a meaningful growth in the Agency's programmes in the near future.

Mr. SOLTANIEH (Islamic Republic of Iran) recalled that the IAEA's two main interrelated objectives were, first, to accelerate and enlarge the contribution of atomic energy to peace, health and prosperity throughout the world and, second, to ensure that assistance provided by it, or at its request

or under its supervision or control, was not used in such a way as to further any military purpose. In his delegation's view, both those objectives should be considered on an equal footing; in other words, the full commitment of non-nuclear-weapon States Parties to the NPT and their acceptance of IAEA safeguards should be based on the assumption that they would fully benefit, on a non-discriminatory basis, from technical assistance and co-operation in the peaceful uses of nuclear energy. Unfortunately, the Agency's technical co-operation programme was funded by the unassured and unpredictable mechanism of voluntary contributions, whereas the safeguards system was financed out of the regular budget. Reiterated appeals over the past two decades by almost all developing States members of the IAEA, most of which were Parties to the NPT, calling for the correction of that anomaly had thus far been ignored by the major donors, which were also mostly Parties to the Treaty.

With reference to the IAEA Committee on Assurances of Supply (CAS), he noted that, in view of the absence of co-operation by some industrialized countries, and in particular by the nuclear-weapon States Parties, CAS had so far been unable to complete its task. In the meantime, new restrictions relating to nuclear technology transfer had been and would continue to be imposed on the developing countries. A similar negative attitude had been observed at the UNCPICPUNE Conference.

His delegation fully endorsed the draft resolution submitted by the Group of Non-Aligned Countries (NPT/CONF.IV/L.2 and Corr.1). While commending the contribution made by the IAEA within the limits of the unassured financial resources available in the area of technical co-operation, it expected States Parties to conduct a fair and unbiased critical review of the implementation of the Treaty and of the Agency's statutory obligations. In conclusion, he requested that the points he had made should be duly reflected in the final document of Main Committee III.

Mr. TILEMANN (Australia) introduced the working paper submitted by his delegation and 10 others, containing proposed language for the final document in connection with article V (NPT/CONF.IV/MC.III/WP.4).

The meeting rose at 5.40 p.m.